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10 UNITED STATES BANKRUPTCY COURT
11 NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

12 In re
13 THE ROMAN CATHOLIC ARCHBISHOP
OF SAN FRANCISCO,
14
15 Debtor and
Debtor in Possession.

Case No. 23-30564

Chapter 11

**AMENDED SUPPLEMENTAL
DECLARATION OF ORI KATZ IN
SUPPORT OF FIRST INTERIM FEE
APPLICATION OF SHEPPARD,
MULLIN, RICHTER & HAMPTON LLP,
FOR ALLOWANCE AND PAYMENT OF
COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR
THE PERIOD OF AUGUST 21, 2023,
THROUGH JANUARY 31, 2024**

The Hon. Dennis Montali

Date: April 18, 2024

Time: 1:30 p.m.

Place: Videoconference via Zoom Webinar

1 I, Ori Katz, declare as follows:

2 1. I am a partner in the Finance and Bankruptcy Practice Group of the firm Sheppard,
3 Mullin, Richter & Hampton LLP ("Sheppard Mullin" or the "Applicant"), at its office located at
4 Four Embarcadero Center, 17th Floor, San Francisco, California 94111, and as such am authorized
5 to make this declaration on behalf of Sheppard Mullin. I am an attorney licensed to practice law in
6 all of the Courts of the State of California and in all of the United States District Courts in California.
7 Sheppard Mullin is co-counsel of record for The Roman Catholic Archbishop of San Francisco
8 ("RCASF" or the "Debtor").

9 2. The matters stated herein are true and correct and are within my personal knowledge
10 or information provided to me by other attorneys or employees of Sheppard Mullin, and if called
11 upon to testify as a witness, I could and would testify competently thereto.

12 3. This supplemental declaration is made in support of the *First Interim Fee Application*
13 *of Sheppard, Mullin, Richter & Hampton LLP, for Allowance and Payment of Compensation and*
14 *Reimbursement of Expenses for the Period of August 21, 2023, Through January 31, 2024* (the
15 "Application"). I give capitalized terms not defined here the same meaning given to them in the
16 Application.

17 4. The Application did not include the following information in compliance with the
18 UST Guidelines: (a) information to be provided about customary and comparable compensation;
19 (b) information about budget and staffing plans; and (c) responses to specific questions promulgated
20 by the Guidelines with respect to the Application

21 5. Attached to this declaration as Exhibit 1 is a summary of customary and comparable
22 compensation provided by Sheppard Mullin describing the blended hourly rates of the various
23 categories of timekeepers that provided services to the Debtor during the Application Period. I give
24 defined terms used in this exhibit the same meanings ascribed to them in ¶ C.3 of the UST
25 Guidelines.

26 6. Attached to this declaration as Exhibit 2 is a copy of the "Attorney Fee Budget"
27 agreed upon by and between the Debtor and Sheppard Mullin. This exhibit also includes a
28 comparison of budgeted to actual fees sought during the Application Period. Sheppard Mullin is

1 not submitting a detailed staffing plan or summary of fees and hours budgeted compared to fees and
2 hours billed for each project category as this information is privileged and confidential.

3 7. Sheppard Mullin responds to the questions identified in paragraph C.5 of the UST
4 Guidelines as follows:

5 a. Did you agree to any variations from, or alternatives to, your standard or
6 customary billing rates, fees or terms for services pertaining to this engagement that were
7 provided during the application period? If so, please explain.

8 **Answer:** As set forth in the Sheppard Mullin Employment Application, Sheppard
9 Mullin has agreed to discount its standard hourly rates by 20% for all attorneys
10 providing services to the Debtor.

11 b. If the fees sought in this fee application as compared to the fees budgeted for
12 the time period covered by this fee application are higher by 10% or more, did you discuss
13 the reasons for the variation with the client?

14 **Answer:** Sheppard Mullin's fees do not exceed the fees budgeted for the Application
15 Period.

16 c. Have any of the professionals included in this fee application varied their
17 hourly rate based on the geographic location of the bankruptcy case?

18 **Answer:** No.

19 d. Does the fee application include time or fees related to reviewing or revising
20 time records or preparing, reviewing, or revising invoices? (This is limited to work involved
21 in preparing and editing billing records that would not be compensable outside of bankruptcy
22 and does not include reasonable fees for preparing a fee application.) If so, please quantify
23 by hours and fees.

24 **Answer:** No.

25 e. Does this fee application include time or fees for reviewing time records to
26 redact any privileged or other confidential information? If so, please quantify by hours and
27 fees.

1 **Answer:** Yes. Sheppard Mullin spent 5.7 hours or \$4,309.20 in fees
2 reviewing time records to remove privileged or other confidential information.

3 f. If the fee application includes any rate increases since retention:

4 i. Did your client review and approve those rate increases in advance?

5 ii. Did your client agree when retaining the law firm to accept all future
6 rate increases? If not, did you inform your client that they need not agree to
7 modified rates or terms in order to have you continue the representation,
8 consistent with ABA Formal Ethics Opinion 11-458?

9 **Answer:** The Application does not include any rate increases since retention.

10 I declare under penalty of perjury under the laws of the United States of America that the
11 foregoing is true and correct.

12 Executed on this 12th day of April, 2024, at San Francisco, California.

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14 /s/ Ori Katz
15 Ori Katz
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Exhibit 1

Summary of Customary and Comparable Compensation (UST Guidelines, Ex. A)

Category of timekeeper (using categories already maintained by the firm)	Blended hourly rate	
	U.S. Non-Bankruptcy Blended Rate	Bankruptcy Estate Blended Rate
Equity Partner	\$938.49	\$1,001.78
Non-Equity Partner	\$836.70	\$844.34
Sr. Associate	\$675.36	\$719.75
Jr. Associate	\$517.82	\$521.34
All timekeepers aggregated	\$760.08	\$827.28

Exhibit 2

Sheppard Mullin Fee Budget

Month	Aug. 2023	Sept. 2023	Oct. 2023	Nov. 2023
Fees & Expenses	\$75,000	\$180,000	\$180,000	\$180,000
Month	Dec. 2023	Jan. 2024	Total for Application Period	
Fees & Expenses	\$180,000	\$215,000	\$1,010,000	

Comparison of Budgeted to Actual Fees Sought During Application Period

Fees and Expenses Budgeted	Fees and Expenses Sought	Difference Between Budgeted and Actual Fees and Expenses Sought
\$1,010,000	\$822,123.11	\$187,876.89